CITY OF KALAMAZOO
BROWNFIELD REDEVELOPMENT AUTHORITY BOARD MEETING
Thursday, December 19, 2024
Community Planning and Economic Development
245 N. Rose Street, Kalamazoo, MI 49007

MEMBERS PRESENT: Sharon Ferraro; Lucas Middleton; Rachel Bair; Kevan Hess; Andrew Schipper; Michael Gurnee; *Jason Novotny

MEMBERS ABSENT: Kyle Gulau; Nathan Bolton; Alonzo Wilson; Torean Greeley

CITY COMMISSIONERS/CITY STAFF PRESENT: Jamie McCarthy (Development Manager); Jerrid Burdue (EDC Liaison/Neighborhood Business & Special Projects Coordinator); *Jessica Wood (Attorney, Dickinson Wright); David Stegink (Fishbeck, Consultant); Jared Chambers (Business Specialist); Heidi Waffle (Brownfield Project Assistant);
*Attorney Wood attended the meeting virtually.

Meeting was called to order at 8:25 AM by Chair Middleton.

MOTION TO EXCUSE ABSENT MEMBERS: Director Novotny moved to excuse absent members; seconded by Director Gurnee. Motion approved by voice vote unanimously.

APPROVAL OF AGENDA: Director Ferraro moved the approval of the agenda; seconded by Director Schipper. Motion approved by voice vote unanimously.

APPROVAL OF MINUTES: Director Gurnee moved approval of minutes from the meeting of November 21, 2024 as presented; seconded by Director Novotny. Motion approved by voice vote unanimously.

PUBLIC COMMENTS

None.

DIRECTOR'S COMMENTS

Director Novotny shared it feels like every year he has been on the board that he sees the board get better, more streamlined, and more educated.

NEW BUSINESS

1. 2023 Brownfield Tax Increment Revenue Capture Summary & 2024 Grant Projects Summary (Presentation – No Action).

Ms. McCarthy shared a summary of 2023 brownfield tax capture. She further explained adopted plans, 2024 disbursement payments, and the amount of funds paid to the state brownfield redevelopment fund.

Ms. McCarthy shared about EGLE Brownfield Redevelopment Grants and Loans. Harrison Circle grant was closed out in 2024 – 100% grant expensed. 315 E Frank continued to make great progress this year. Now they are finalizing documentation for their due care compliance. 530 S Rose has construction wrapping up currently. They have capping and landscaping that has to happen in the spring. River's Edge was a big milestone this year with the 2024 groundbreaking. The bulk of construction will likely occur in 2025. Brewster Hotel project has completed demolition and started site preparation. They are working with EGLE on how to expend the rest of the grant dollars and how they can move forward.

Director Schipper thanked Ms. McCarthy for sharing and that it was nice to see the year's summary.

*Director Novotny left the meeting.

Director Gurnee mentioned that EGLE Loans did not seem to be present in the re-cap. He wondered if there were opportunities to use that and keep it in mind as they talk to developers. They are less competitive. If they are also applying for a grant, those get discussed at the same time as a loan.

2. Local Brownfield Revolving Fund Policy Framework (Discussion Item – No Action).

Ms. McCarthy said she wants to get the board's input on ideas they want to see in the LBRF Policy. She explained how the ways the LBRF can be utilized have changed recently. She talked about grants versus loans for the LBRF. She opened the conversation up for the board to communicate their needs or wants for the LBRF.

Director Middleton said it is important to him that they find some kind of focus for the policy that they are filling a gap and making this money the most useful as possible. He mentioned keying into particular needs of the Economic Strategy. He wants to be consistent and fair in the way they are dispersing the money. He proposed thinking about what types of projects they want to generally support, without restricting themselves too much.

Director Gurnee explained that a grant to him means investing money and assuming they will never see that return of dollars. If it is recoverable, he thinks the BRA should be the last in line to receive the recovered funds if it is a grant. The developer should get paid out first in those situations, and the board can recognize their return on investment through the economic impact. The loans option gives the framework for recovering LBRF funds.

Director Hess shared a prime example was when they built the round-a-bout.

Ms. McCarthy asked for input about limits or caps for some of these programs. Do they want to see something specific in the policy or set year to year?

Director Middleton asked if we should make some consideration broadly in the policy in terms of what portion of the fund they're willing to commit to these efforts, so they have a more general sense of what's available on a year to year basis.

Director Gurnee said he worries if they choose and change the dollar amount every year it moves the target for their stakeholders. He also understands they can change their policy if it needs to be changed. He is more in favor of setting a policy saying what their caps are now knowing what they have in the LBRF funds and what the market is like, knowing they can take action in the future if need be. They could share with this with folks and create a program where they can give answers based on policy.

UNFINISHED BUSINESS

None.

COMMUNICATIONS AND ANNOUNCEMENTS

None.

STAFF REPORTS AND UPDATES

1. December 2 – City Commission Approved Act 381 Brownfield Plan for Bronco Commons.

Ms. McCarthy shared the next steps the developer is working on for agreements and their MSHDA workplan.

ADJOURNMENT: The meeting was adjourned at 9:12 A.M. by Chair Middleton.

Heidi Waffle
Heidi Waffle
Recording Clerk

Chair Signature

Lucas Middleton
Printed Name/Chair